

**GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA**

UNSTARRED QUESTION NO:3501
ANSWERED ON:15.12.2014
FINANCIAL AUDIT OF AIRLINES
Marutharajaa Shri R.P.

Will the Minister of CIVIL AVIATION be pleased to state:

- (a) whether the Directorate General of Civil Aviation (DGCA) has conducted financial audits of the airlines operating in the country to ascertain the impact of bad finances on their safety;
- (b) if so, the details of such audits conducted by DGCA during each of the last three years and the current year along with the findings thereof; and
- (c) the follow-up and corrective action taken by DGCA on audits findings?

Answer

Minister of State in the Ministry of CIVIL AVIATION (Dr. Mahesh Sharma)

(a) to (c) Yes, Madam. Assessment of impact of financial stress on safety of operation of private scheduled airlines has been made by Directorate General of Civil Aviation in the year 2014 only.

It has been found that all private airlines are in varying degree of financial stress. The findings of the audit have been individually discussed with the top management of the airlines and they have been asked to optimise their operations and reduce the financial burden without compromising the safety of aircraft operations and take corrective steps to remove the findings.